AR78

University of Alberta
1-16 Business Building



04 ANNUAL REPORT

OVERLORD
FINANCIAL INC.

WELCOME

Aggressive and entrepreneurial, Overlord Financial Inc. is revolutionizing the investment management business by creating the next generation of financial services.

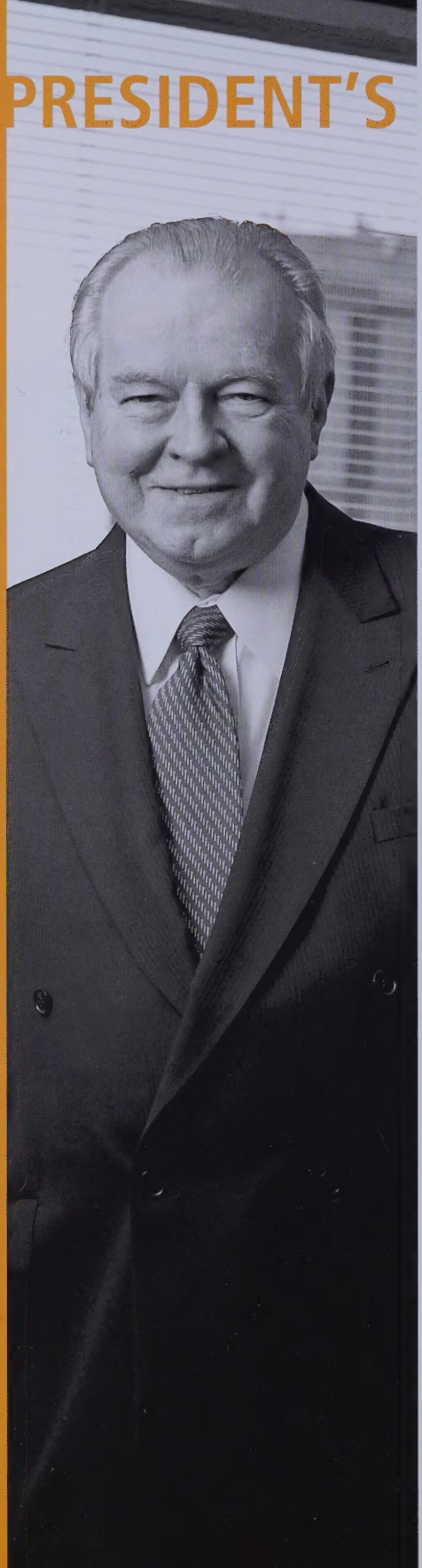
As a publicly traded company on the TSX Venture Exchange (OFI), Overlord Financial Inc. is offering investors the unique opportunity of participating in the growth of the management company by purchasing shares. This allows investors in Overlord's managed funds the option to participate in the successes of BOTH the management company and the individual investment products themselves.

Welcome to the next generation of financial opportunities.

Table of Contents

President's Message	01
Mission Statement	04
Financial and Investment Management Division	06
Juno Canada Holdings Ltd.	07
Catapult Energy 2004 Inc.	08
DebMax Canadian Corp.	09
Oil and Gas Asset Management Division	10
Sword Management Inc.	11
Corporate Governance	12
Management Discussion & Analysis	14
Management Responsibility for Financial Reporting	17
Auditors' Report	18
Consolidated Financial Statements	18
Notes to Consolidated Financial Statements	21
Board of Directors	28
Corporate Information	29

PRESIDENT'S MESSAGE



For Overlord 2004

was a year of consolidation and progress on several fronts. The first priority was to assemble a superior team of highly experienced and motivated professionals in the principal areas of the Company's business plan. The team has been recruited to provide exposure in the industry sectors in which Overlord has extensive experience, expertise and a proven reputation and track record. Essentially the Company's functions have been divided between the financial and investment management division and the oil and gas asset management division. Each division is led by a focused group of professionals.

The financial and investment management team has been building throughout 2004 with the addition of several key people. Mr. Purdy, President Juno Canada, is responsible primarily for Overlord's international products and clients. Mr. Di Battista has coordinated and developed structured investment products, such as DebMax, mainly for Canadian investors. Ms. van den Berge and Ms. Hruska both CFA Charterholders joined the team mid-year and will share responsibilities for managing the assets of Wisevest and all other investment portfolios. Under their leadership, Overlord has developed an improved version of an equity fund investing in junior private and public oil and gas companies. Catapult Limited Partnership I is being marketed in Canada and is expected to close on or about May 15, 2005. In addition, two other versions of the Catapult Limited Partnership have been proposed as private placements, one involving First Nations opportunities and one destined for European investors.

During 2004 the structuring and development of products for international investors has accelerated. Overlord has entered into negotiations with a number of organizations in Canada and Europe to market and distribute its investment products. One such alliance has been concluded with the MBC SA Group with an office in Paris, France.

MBC SA has undertaken to distribute Juno Canada backed investments throughout Europe. At the request of our selling agents and potential investors, Overlord made changes to the original debentures offered by Juno Canada. The revised product will be marketed actively in Europe with the first closing expected in May 2005. Following discussions with our agents and potential institutional investors in Europe, it became evident that an international version of our DebMax concept would attract large orders, particularly from large pension funds.

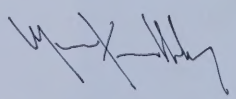
The DebMax structured product is currently being finalized and should be available for marketing in 2005. Overlord intends to create two different vehicles, one intended for Canadian investors and a second intended for international investors to be sold through Juno Canada.

It is clear that the marketing of new investment products by a new start-up company like Overlord is very complicated and took longer then anticipated. In the case of Catapult, discussions with potential brokers and legal matters delayed the launch of the product by six months. In the end, Catapult developed into a unique product available to all investors due to its low minimum investment requirement, its RRSP eligibility and its TSX listing feature providing liquidity for the investor. The Company is currently developing a similar Catapult structure to satisfy European demand for the product. We believe that the private placement route for international investors will substantially reduce further delays.

On the oil and gas asset management side, Overlord has assembled a team experienced in all aspects of the oil and gas industry on an as needed consulting basis. During 2004, extremely high oil and gas prices priced most acquisitions way above levels acceptable to ourselves, institutional investors and joint venture partners. Overlord chose not to compete with American buyers and royalty trusts desperate to replace their production. Fortunately the market for oil and gas properties started to change in the last month of 2004 and many more interesting properties have been put on the block. Overlord completed a small acquisition through its oil and gas management subsidiary Sword Management Inc., in March 2005. Sword is evaluating several other potential acquisitions and expecting to close more deals in 2005.

The prospects for 2005 are very positive and we anticipate finalizing several of the ventures and concepts developed over the last couple of years. Discussions are underway to expand the oil and gas team with seasoned professionals to accelerate the development of the oil and gas operations in parallel with the expansion of our activities as a unique investment manager to pension funds. European investors and joint venture partners have indicated significant interest in participating in the Canadian oil and gas sector with us and Overlord will do its utmost to accommodate them. Finally, we are in negotiations to obtain a contract for Overlord to manage a large portfolio of investments for a large Canadian pension fund which has the potential to grow into a strong division of focus and earnings for the Company.

I would like to conclude by acknowledging and emphasizing the great motivation and determination by the Board of Directors and employees and I look forward to an exciting year ahead for Overlord Financial.



Marcel Tremblay
Chairman, President
& Chief Executive Officer

MISSION STATEMENT



Overlord was created to provide all classes of investors in Canada and throughout the world with a new generation of investment vehicles offering superior rates of return, preservation of capital, liquidity and capital appreciation.

Overlord's business plan is specifically designed to match Mr. Tremblay's entrepreneurial spirit and his knowledge and experience in the oil and gas industry and the income trust sector. Overlord will continue to develop and market investment products to Canadian and worldwide investors. In the tradition of Mr. Tremblay's proven track record, Overlord will first create wealth for our investors and, in turn, create wealth for our shareholders.


London
Paris
Luxembourg
Geneva

06

FINANCIAL AND INVESTMENT MANAGEMENT DIVISION



"We will first create wealth for our investors and, in turn, create wealth for our shareholders."

Juno Canada Holdings Ltd.

Over the past 10 years, income funds and royalty trusts have provided Canadian investors with enviable returns through monthly cash distributions and capital appreciation. Income funds and royalty trusts have grown to $130 billion of the TSX market capitalization and conversions to the income trust structure continued throughout 2004 and into 2005. On January 26, 2005, Standard and Poors announced the inclusion of income fund and royalty trusts in the S&P/TSX Composite Index. This announcement is expected to lead to significant investment by institutional investors in income funds in 2005.

The royalty trust structure was first created in 1986 by Mr. Tremblay, Chairman, President and CEO of Overlord Financial Inc. For years now Canadian investors have enjoyed the benefit of above average rates of return and monthly cash distributions paid out under the tax efficient trust structure. Overlord has now developed a product to provide investors outside of Canada with the opportunity to invest in the Canadian income fund sector in 2005.

Juno Canada Holdings Ltd. ("Juno") led by Mr. Purdy, is a wholly-owned subsidiary of Overlord Financial Inc. Juno's objective is to create, endorse and distribute innovative investment products that are appealing to value-minded and yield hungry investors in international markets. Juno envisions itself as a portal through which offshore accredited and institutional investors can gain access to high-yield tax efficient Canadian investments. The company leverages its position against the collective expertise of the Overlord group and its management team providing a blend of tax-efficient income and capital appreciation with principal preservation features, aiming to yield superior total returns as compared with other products offered across the fund universe.

Over the past year Juno has sold Canadian dollar denominated debentures to Sword Canadian Income Fund, a single purchaser registered in the Cayman Islands. Juno has serviced those debentures by reinvesting all net funds through Wisevest, a wholly-owned income fund that invests in a diversified basket of income fund securities. Subsequent to the 2004 year end, Juno amended its debentures with a new series of US Dollar denominated debentures at a blended rate. These amended debentures have simplified the initial offering and provided a wider appeal to qualified offshore investors.

Having proven that the investment structure is popular, sustainable and efficient, Juno is now preparing to sell debentures denominated in US Dollars and Euros to satisfy a strong international demand. Early in 2005, Overlord engaged the services of MBC SA, a private marketing company with main offices in Montreal, Paris and affiliate offices in Geneva, London, Luxembourg and Rome, to facilitate the development, introduction and sale of a suite of proprietary financial products to European investors. MBC's expertise is an integral part in providing coordinated, country specific advice and services in the marketing, accounting, taxation, investment banking and commercial banking sectors for Overlord's products. As well, Juno is in discussions with other fund promoters who are organizing themselves to independently purchase Juno securities and finance those purchases offshore. Through these key relationships, Juno plans to close significant offshore investment deals in 2005.

FINANCIAL AND INVESTMENT MANAGEMENT DIVISION

Catapult Energy 2004 Inc.

The oil and gas industry has enjoyed significant growth over the past few years with a large number of transactions involving junior companies. The proliferation of oil and gas royalty trusts has increased competition for acquisitions and led to almost a complete disappearance of the intermediate-sized oil and gas companies. With royalty trusts focusing on acquiring producing properties, private and public junior oil and gas companies have focused instead on exploration. The juniors continue to discover new pools and build inventories of low risk developed properties to sell to the royalty trusts. This situation has provided junior oil and gas companies with a natural exit strategy. As a result, the average life cycle of a junior oil and gas company has decreased significantly in the past few years.

Overlord's financial and investment management division includes the wholly-owned subsidiary, Catapult Energy 2004 Inc. ("Catapult"), led by Ms. van den Berge and Ms. Hruska. Catapult, the General Partner, provides management and investment advice to Catapult Energy Limited Partnership I ("Catapult LP"), a limited partnership formed to invest in private and public junior oil and gas companies with the objective of achieving capital appreciation for the Limited Partners. With Catapult LP units being RRSP eligible and a minimum investment level of only $2,500, investors of all levels of experience and resources can participate. The term of the Partnership is three years at which time the assets may be transferred to a Fund on a tax deferred basis in exchange for fund securities.

The investment strategy of the Catapult LP is to invest 50% of the funds in private and 50% in public junior oil and gas companies that are undervalued in relation to market price and/or the intrinsic value, have capable and experienced management, have an exploration program in place and potential for significant future growth. Catapult LP I will be listed on the TSX to provide liquidity for investors.

In Catapult, Overlord has formed a strong experienced and disciplined management team and board of directors to achieve its capital appreciation objectives. Both Ms. van den Berge and Ms. Hruska are CFA Charterholders and each have significant experience investing in the junior oil and gas sector at large brokerage firms. As well, the Catapult Board of Directors includes Mr. Robert Blair, former Chairman and Chief Executive Officer of Nova Corp.

The management fee has been structured to motivate the General Partner to deliver capital appreciation as Catapult will receive an annual management fee of 1.75% of the Net Asset Value of the Partnership, as well as an incentive bonus equal to 20% of the amount in excess of a 12% per annum hurdle rate.

Overlord's oil and gas expertise, through Mr. Tremblay and the Sword Management Inc. team, will provide technical support throughout the initial investment and monitoring process. Catapult expects to close the Catapult LP prospectus offering on or about May 15, 2005. A range of $15 to $25 million is expected to be raised with Research Capital and Desjardins as lead agents.

Finally, Overlord plans to establish a similar but separate limited partnership to be sold to European investors interested in the capital appreciation associated with the growth of junior oil and gas companies in Western Canada. Under an efficient tax structure, non-resident investors can buy Limited Partnership units with a three year term. As with Catapult LP I sold to Canadian investors, the investment strategy calls for a portfolio of both private and public junior oil and gas companies. Again, investments will be selected based on intrinsic value, quality of prospects, experienced management team and potential for future growth.

Originally created by Mr. Tremblay in 1986, the royalty trust structure was designed to distribute cash flows from oil and gas operations directly to unit holders without incurring corporate tax. The trust structure was later adopted by real estate companies and many other businesses including pipelines, storage, manufacturing, retail, etc. This structure now encompasses almost 10% of the TSX market capitalization and continues to provide investors with above-average rates of return in a low interest economic environment.

Led by Mr. Di Battista, DebMax Canadian Corp. ("DebMax"), a wholly-owned subsidiary of Overlord, plans to reinvent the income trust's structure by providing investors with comparable rates of return and a principal protection feature. Mr. Di Battista has seventeen years in the brokerage industry as an institutional bond trader.

Backed by a diversified portfolio of income funds and royalty trusts, DebMax will be sold to retail Canadian investors through a prospectus offering. This product will also be sold to Juno Canada, or replicated offshore to provide principal protection on Juno's investment products.

New product development takes confidence, time, creativity and an understanding of both our clients' and partners' needs. The principals of Overlord have an enviable track record of delivering new age investment products to the market with success and popularity. We anticipate DebMax will be one of these successes.

OIL AND GAS ASSET MANAGEMENT DIVISION



"Sword Management Inc. signifies a return to the oil and gas asset management business for Mr. Tremblay"

Sword Management Inc.

Fiscal 2004 proved to be an interesting year in the oil and gas sector. Amidst soaring commodity prices and record levels of M&A activity, Overlord began working on the four key components necessary to offer investors an avenue to participate: securing a highly qualified team of experienced oil and gas professionals, creation of an asset management company, creation of an operating oil and gas company and securing financial resources. The asset management company incorporated as PMX Management Inc., a wholly owned subsidiary of Overlord, was renamed Sword Management Inc. ("Sword").

Throughout 2004, a number of key individuals were recruited to formulate the nucleus of the oil and gas management team. Overlord is pleased to announce that Mr. Chapman, Mr. Dalphond and Mr. Mellis comprise the management and operations members of the team, while Ms. Hinds and Mr. Horning through Portfolio Energy Partners, provide acquisitions support. Mr. Tremblay, Chairman of the Board of Sword Management Inc. and Mr. Fabi, a Director of Overlord, provide advice and guidance on the pursuit of new opportunities. With all the essentials in place during the second half of 2004, the Sword team began the task of evaluating acquisition targets and presenting them to a number of interested investor groups. This process continued into 2005 until the right match of investor and asset was achieved. In March 2005, Sword closed the acquisition of a quality exploration asset from an existing oil and gas royalty trust. As a direct result Sword Energy Ltd. ("SEL"), a private corporation, was created as an oil and gas exploration company managed by Sword Management Inc. As well, Joint Venture partners also participated in our first acquisition, entrusting Sword to manage their assets.

Investors, both individual and corporate, participated in a private placement whereby shares of the Sword Energy Limited were exchanged for capital. The initial acquisition will serve to officially establish SEL as an AEUB recognized operating company and provide a core area that can be further developed and most importantly generate significant financial returns for our investors. It also signifies a return to the oil and gas asset management business for Mr. Tremblay.

In facilitating the relationships between Sword Management Inc., the Joint Venture Partners and SEL, a Joint Venture Agreement was entered into to govern the overall structure for funding arrangements and acquisitions undertaken as well as the management of the assets themselves. This agreement sets up the structure which allows Sword to finance, acquire and manage almost any type and size of oil and gas property. The template is now established and accretive growth is the next step.

We anticipate 2005 to be a very active and competitive year in the oil and gas mergers and acquisitions arena. The current commodity price environment has increased activity levels in all areas of the oil and gas sector to unprecedented heights. The goal for Sword is to engage a strategy of continuous monitoring of available assets that are under-valued or under-exploited, acquire them at a reasonable price and then utilize internal expertise to maximize production, reserves and hence underlying shareholder value. Using the highly qualified team assembled in 2004, Sword will be able to deliver a steady growth of oil and gas assets to effectively manage under the Overlord umbrella.

CORPORATE GOVERNANCE

Board of Directors

Overlord's Board of Directors continue to strive for excellence in their role of supervising the overall governance and management of the Company. The Directors are actively involved in approving all significant transactions and decisions that affect the Company and its subsidiaries. The Board continues to play an integral role in the Company's strategic planning process, reviewing all material information with management, taking into account the risks and opportunities of the business. The management team continues to seek the Board's approval for any transaction significant to the Company's strategic plan.

Of the seven members of the Board, Marcel Tremblay, Chairman, President and CEO and Kirk Purdy, President of Juno Canada are inside directors, the remaining five directors are independent. All Directors have a proven track record in business management and provide strong support in accomplishing the Company's mission and objectives. Each Director is required to hold a minimum number of shares to ensure their interests align with those of the Shareholders. Disclosure of share ownership changes, if any, by each director is disclosed annually in the Company's Information Circular and Proxy Statement.

Three independent committees, detailed below, support the Board of Directors in their efforts for continuous disclosure and good governance practices. Each Committee is comprised of three independent directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee. The members of the each Committee are elected by the Board of Directors at its first annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

For further disclosure information, we direct Shareholders to the Company's Information Circular and Proxy Statement prepared for the 2005 Annual General & Special Meeting of Shareholders.

Audit Committee

The Audit Committee met four times in 2004. The primary function of the audit committee (the "Committee") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Corporation to regulatory authorities and shareholders, the Corporation's systems of internal controls regarding finance and accounting and the Corporation's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Corporation's policies, procedures and practices at all levels. All three members of the Audit Committee are financially literate, for the purposes of the Corporation's Charter the definition of "financially literate" is the ability to read and understand a balance sheet, an income statement and a cash flow statement. The Company's external auditors have a direct line of communication with the Audit Committee at all times. The Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Corporation's financial reporting and internal control system and review the Corporation's financial statements;
- Review and appraise the performance of the Corporation's external auditors;
- Provide open avenues of communications among the Corporation's auditors, financial and senior management and the Board of Directors.

Charter of the Audit Committee

- Conduct an audit planning meeting prior to the annual external audit of the company;
- Review and approve audit engagement letters, audit plan and fees;
- Conduct a Committee meeting subsequent to the audit examination and review any significant findings;

- Ensure the annual financial statements are presented fairly in accordance with generally accepted accounting principals and recommend approval to the Board;
- Ensure the information contained in the Annual Report, Management Discussion and Analysis, and the Quarterly Consolidated Financial Statements is not significantly incomplete, misleading or erroneous;
- Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Corporation;
- Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the auditors;
- Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval;
- At each meeting, consult with the external auditors, without the presence of management, about the quality of the Corporation's accounting principals, internal controls and the completeness and accuracy of the Corporation's financial statements;
- Review the adequacy of the financial reporting system and internal controls;
- Perform such additional activities within the scope of its responsibilities which the Board deems necessary.

Corporate Governance Committee

The Corporate Governance Committee, convened twice in 2004 with all the members present. The Committee is responsible for ensuring the interests of the Board and management are aligned with those of the Shareholders. The Committee is responsible for developing, maintaining and reviewing the overall governance principles of the Company and recommending any changes to these principles.

Charter of the Corporate Governance Committee

- Development and monitoring of the Company's approach to corporate governance principals;
- Annual review of organizational structure and succession planning matters, as well as the Company's strategic planning process;
- Annual review of areas of personal liability of Directors and ensuring reasonable protective measures are in place;
- Ensuring adequate policies and procedures are in place to allow the Company to meet all of its continuous disclosure requirements;
- Ensuring all members of the Board of Directors have been informed of, and are aware of, their duties and responsibilities as a Director of the Company;
- Proposing changes as required in response to governance recommendations or guidelines from regulatory authorities and ensuring that all governance systems remain in place and are periodically reviewed for effectiveness;
- Ensuring the Company has adequate policies and procedures to identify and manage the principal risks of the Company's business;
- Preparation of the Company's response to the TSX Venture policies when required and informing the Board in the event of any differences between the Company's governance policies and those recommended policies of the TSX Venture Exchange.

Compensation Committee

The Compensation Committee, convened three times in 2004 and assists the board in all matters relating to compensation and regulatory requirements associated with executive compensation and policies. The Committee reviews compensation once a year and makes its recommendation to the Board of Directors. The Committee recommends changes to the Board taking into consideration the time commitment, risks and responsibilities of the directors and executive officers.

Charter of the Compensation Committee

- Review Company compensation policies, plans and make recommendations to the Board;
- Review and recommend for Board approval executive compensation;
- Ensure compliance with all regulatory requirements that govern executive compensation.

OVERLORD FINANCIAL INC.

This management discussion and analysis ("MD&A") should be read in conjunction with the audited annual consolidated financial statements for the years ended December 31, 2004 and December 31, 2003 and the notes thereto of Overlord Financial Inc. ("Overlord" or the "Company").

The information provided herein is effective as of April 25, 2005 and is, at least in part, based upon assumptions regarding future events and results, which may vary. This MD&A contains forward-looking statements. Forward-looking statements are based on current expectations that involve a number of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the MD&A. Forward-looking statements are based on the estimates and opinions of Overlord's management at the time the statements were made. Overlord assumes no obligation to update forward-looking statements should circumstances or management's estimates change.

Overlord is a public company incorporated under the *Business Corporations Act* (Alberta). During the fourth quarter of fiscal 2001, the Company changed from an oil and gas exploration company to a management and investment company.

The Company's current business plan focuses on managing energy-related investment funds and assets. To that end, Overlord has created wholly-owned subsidiary corporations which have defined platforms and objectives of their own, all as part of Overlord's business plan. Overlord's management, employees and consultants are working within these subsidiaries to develop their respective businesses.

During 2004, Overlord invested $100,000 (250,000 shares at $0.40) in common shares of Contact Exploration Inc., a public entity. The Company also entered into a farm-out agreement with Contact Exploration Inc., whereby Overlord agreed to participate in the drilling of a test oil and gas well (16.67% of the first $900,000 of expenditures, 10% on costs thereafter). In return, Overlord is entitled to a 10% working interest in the lands and title documents.

The Company also invested $150,000 on March 10, 2004 in an unsecured, 10% convertible promissory note of Sonomax Hearing Healthcare Inc., a public company, due April 1, 2009. The promissory note is convertible to common shares between $0.85 and $1.50 based on the timing of conversion.

As well, the Company's wholly-owned subsidiary, Juno Canada Holdings Ltd., received proceeds of $250,000 from the issuance of debentures and, in turn, invested in units of the Wisevest Income Fund.

Overlord has established four wholly-owned subsidiaries to conduct its various lines of business, which include Catapult Energy 2004 Inc. ("Catapult"), Juno Canada Holdings Ltd. ("Juno"), PortfolioCo Inc. ('PortfolioCo") and Sword Management Inc. ("Sword Management").

Catapult, an Alberta company, is the general partner of the Catapult Energy Limited Partnership I (the "Partnership") and is responsible for managing the investments in private and public junior resource issuers for the Partnership. The Partnership plans to file its final prospectus in April 2005 for its initial public offering and has applied to list its units on the TSX. Upon completion of the offering, the proceeds will be invested and fees will be payable to the general partner for its management and administration of the Partnerships assets.

Juno, an Alberta company, sells debentures and invests the proceeds in the Wisevest Income Fund ("Wisevest"). Wisevest was established by deed of trust on January 1, 2004, the initial trustee being Marcel Tremblay and the sole holder of Wisevest units being Juno. Wisevest's investment objective is to maximize distributions primarily through investment in securities of Canadian royalty and income trusts. Currently, Juno has issued debentures totaling $250,000 and has in turn placed the funds with Wisevest. Juno continues to actively seek subscriptions for its debentures in European and other offshore markets. PortfolioCo., an Alberta company and wholly-owned subsidiary of Overlord, is the manager of Wisevest and earns fees for its management and administration services.

Sword Management, an Alberta company, identifies potential oil and natural gas exploration and development opportunities in both the private and public sectors. Sword Management's mandate is to identify, acquire and manage oil and gas properties on behalf of high net worth and institutional investors. In March 2005, Sword Management formed Sword Energy Ltd. ("SEL") on behalf of private equity shareholders and acquired exploratory oil and gas properties valued at less than $1.5 million. The Company acquired 250,000 shares of SEL at $1.00 per share for cash consideration of $250,000. Further, a director of the Company acquired 1,000,000 shares of SEL at $1.00 per share for cash consideration of $1,000,000. Through a joint venture management agreement, Sword Management will provide management and administration services to SEL and various joint venture partners and receive a management fee of 5% of the net cash flows from operations.

The Company's cash position at December 31, 2004 was $1.4 million, which had been reduced through the year by general and administrative expenses and project identification costs (excluding amortization and stock option expense) of $1.6 million and net investments of $673,784 which, in turn, were offset by proceeds from the issuance of debentures of $250,000. Cash increased through interest income earned on money market investments of $59,131, the sale of Sonomax shares for proceeds of $102,015 and dividend income of $16,098 from the investment in Wisevest Income Fund units. Subsequent to year end, Overlord sold shares from treasury for $2,000,000 to an officer of one of the Company's subsidiaries (refer to "Subsequent Events" heading for details).

	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue	78,894	14,893	19,444	25,010	$49,055	$68,856	$26,119	$21,575
Expenses	(337,693)	(290,655)	(322,085)	(708,044)	$(461,674)	$(318,039)	$(420,156)	$(377,630)
Income (loss) from discontinued operations	-	-	-	19,986	$ -	$(2,792)	$(266)	$702
Net loss for period	(258,799)	(275,762)	(302,641)	(663,048)	$(412,619)	$(251,975)	$(394,303)	$(355,353)

Fourth quarter 2004 expenses increased from the prior quarter as the result of higher consulting and travel costs associated mainly with the marketing of Overlord products offshore. During the fourth quarter of 2004, senior management traveled to Europe marketing Juno debentures, the Catapult equity concept and Sword Management oil and gas asset management services. At that time, significant interest was identified for these investment products and as a result the Company signed a one year consulting contract with Moussa, Botella and Courcelle, a European marketing agent, to sell Overlord sponsored investment funds to international investors.
Further, during the last quarter of 2004, two new consultants were added to the Overlord management team. Mr. Kirk Purdy was engaged as the President of Juno to direct all overseas development, marketing and business operations. Mr. Bruno Di Battista was contracted as Overlord's Vice President of Business Development to develop the investor network in Eastern Canada and the Company's fund of funds product line.

FINANCIALS

	2003	2002
Total Revenues	$ 165,605	$ 333,394
Net Loss	$ (1,414,250)	$ (1,084,087)
Net Loss per Share	$ (0.037)	$ (0.028)
Total Assets	$ 5,057,121	$ 6,259,079
Total Long Term Debt	-	-

The decrease in total revenues over the three year period relates mainly to a drop in advisory fees (2004 - $Nil, 2003 - $45,052 and 2002 - $184,994). Total assets have decreased mainly as a result of cash used for operations. Long term debt in 2004 represents Juno debentures issued to Sword Canadian Income Fund Ltd.

As of December 31, 2004, the Company had $1.4 million in cash and cash equivalents to finance operational and fund development activities. On March 29, 2005, the Company closed a private placement financing for gross proceeds of $2 million (refer to "Subsequent Events" heading for details). The Company plans to use the proceeds of this financing to further advance its current business plans that encompasses both Canadian and offshore investment markets. In addition, the Company holds $2.2 million of long-term investments, parts of which it may or may not realize upon, to support working capital requirements. The Company has sufficient working capital to meet liquidity requirements for at least one year. The Company had working capital of $1,454,096 for 2004 (2003 - $3,212,606).

The Company is committed to leased office space with future base rent payments of $125,825, $155,540, $164,428, $168,872, $173,316 and $88,880 for 2005, 2006, 2007, 2008, 2009 and 2010 respectively. The Company is also required to pay their proportionate share of operating and property tax costs for the premises.

During 2004, the Company incurred legal expenses and disbursements of $214,765 (2003 - $264,650) to a law firm in which a former director of the Company was a partner. Also, during 2004, the Company paid consulting fees and travel expenses for Basek Consulting Ltd. of $86,435 (payable of $38,215) and Basek Holdings Inc. of $2,091 (payable of $2,091). The companies are owned directly, or indirectly, by Mr. Purdy, the President of Juno Canada Holdings Ltd.

During 2004, included in project identification costs, the Company incurred legal, audit and filing costs in the amount of $123,807 related mainly to the filing of the preliminary prospectus for Catapult Limited Partnership I whereby a wholly-owned subsidiary of the Company is the general partner.

On March 29, 2005, the Company closed a non-brokered private placement financing for gross proceeds of $2,000,000 in return for the issuance of 5,000,000 units at a price of $0.40 per unit. The units were subscribed for by a company owned and controlled by Mr. Purdy. Each unit is comprised of one common share of the Company and one-fifth of one common share purchase warrant of the Company, each whole warrant entitling the holder to acquire one common share at a price of $0.60 on or before March 28, 2006.

Subsequent to year end, Catapult Energy 2004 Inc., a wholly-owned subsidiary of the Company, filed a preliminary prospectus pursuant to an initial public offering by the Catapult Energy Limited Partnership I, through agents, of a minimum of 1,500,000 Units and a maximum of 2,500,000 Units at $10 per Unit ("the Offering"). The agents' fees will be 6.75% of the gross proceeds. The agents will also be paid a due diligence and administration fee of $15,000 and all reasonable expenses incurred in connection with the Offering. There will also be an over-allotment option of up to 20% of the aggregate number of Units sold under the Offering, exercisable for 60 days after the closing of the Offering.

Subsequent to year end, Sword Energy Ltd. ("SEL"), a private corporation, was created as an oil and gas

exploration company managed by Sword Management Inc., a wholly-owned subsidiary of the Company. Together with other private shareholders, Overlord acquired 250,000 SEL shares at $1.00 per share for cash consideration of $250,000 as part of the formation of SEL. Further, a director of the Company acquired 1,000,000 SEL shares at $1.00 per share for cash consideration of $1,000,000. On March 30, 2005, SEL acquired an oil and gas property for $1,400,000 in cash consideration.

The Company is planning to issue additional Juno debentures in the second quarter of 2005 and quarterly thereafter. Further, Catapult Limited Partnership I plans to raise between $15 million and $25 million through the issuance of Partnership units with an expected initial closing date of May 15, 2005.

Common Shares	Unlimited	44,029,459	-
Stock Options	Not Applicable	3,600,000[1]	3,600,000[1]
Warrants	Not Applicable	1,000,000	1,000,000[2]

Notes:

(1) The Company received shareholder approval to reserve for issuance up to 10% of the issued and outstanding Common Shares at the date of the creation for its incentive stock option plan. The Company is seeking shareholder approval to amend the plan to provide that the aggregate number of Common Shares that may be reserved for issuance shall be 10% of the issued and outstanding Common Shares from time to time.

(2) Each Warrant entitles the holder thereof to acquire one Common Share of the Company at a price of $0.60 on or before March 28, 2006.

Reference is made in this Management Discussion & Analysis to the Company's consolidated financial statement disclosure for the relevant periods filed on the SEDAR website at www.sedar.com where additional disclosure relating to the Company can also be located.

Company Contact: Larry Titley, Vice President and Chief Financial Officer
Company Address: Suite 3400, 205 - 5 Avenue S.W., Calgary, Alberta, T2P 2V7
Company Phone Number: (403) 770-4800
Company Fax Number: (403) 770-4850

Management Responsibility for Financial Reporting

The accompanying Consolidated Financial Statements of Overlord Financial Inc. are the responsibility of Management. The Consolidated Financial Statements have been prepared by Management in accordance with Canadian generally accepted accounting principles and include certain estimates that reflect Management's best judgements. Financial information contained throughout the annual report is consistent with these Consolidated Financial Statements.

The policy of the Company is to maintain the highest standard of ethics in all its activities. The Company has developed and maintains an system of internal controls that provides reasonable assurance that all transactions are accurately recorded, that the Consolidated Financial Statements realistically report the Company's operating and financial results and that the Company's assets are safeguarded.

The Company's Board of Directors has approved information contained in the Consolidated Financial Statements. The Board of Directors fulfils its responsibility regarding the Consolidated Financial Statements mainly through its Audit Committee, which has a written mandate that complies with the current requirements of the TSX Venture Exchange. The Audit Committee meets at least on a quarterly basis.

BDO Dunwoody LLP, an independent firm of Chartered Accountants, was appointed by a vote of shareholders at the Company's last annual meeting to audit the Consolidated Financial Statements and provide an independent opinion.

Marcel Tremblay
Chairman, President & Chief Executive Officer

Larry Titley
Vice President & Chief Financial Officer

Auditors' Report

To the Shareholders of Overlord Financial Inc.

We have audited the consolidated balance sheets of Overlord Financial Inc. as at December 31, 2004 and 2003, and the consolidated statements of operations and deficit and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2004 and 2003, and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles

BDO Dunwoody LLP

Chartered Accountants
Calgary, Alberta
March 22, 2005

Consolidated Financial Statements

As at December 31	2004	2003
Current		
Cash and cash equivalents	$ 1,445,973	$ 3,192,794
Accounts receivable	30,413	60,645
Prepaid expenses	82,314	-
	1,558,700	3,253,439
Prepaid deposits	38,101	52,231
Long-term investments, at cost (Note 3)	2,244,049	1,627,499
Property and equipment (Note 4)	104,792	123,952
	$ 3,945,642	$ 5,057,121
Current		
Accounts payable and accrued liabilities	$ 104,604	$ 40,833
Debentures (Note 7)	250,000	-
	354,604	40,833
Shareholders' equity		
Share capital (Note 8(b))	9,963,248	9,963,248
Contributed surplus (Note 9)	258,396	183,396
Deficit	(6,630,606)	(5,130,356)
	3,591,038	5,016,288
	$ 3,945,642	$ 5,057,121

Approved on behalf of the Board:

Marcel Tremblay

Marc-Andre Elie

The accompanying notes are an integral part of these consolidated financial statements.

For the years ended December 31	2004	2003
Revenue		
Advisory fees	$ -	$ 45,052
Interest income	**59,131**	120,553
Management fees	**1,947**	-
Dividend and royalty income	**16,098**	-
Gain on sale of investments	**61,065**	-
	138,241	165,605
Expenses		
Amortization	**35,444**	33,183
Business promotion	**32,491**	26,956
Business taxes	**12,814**	13,433
Consulting	**223,589**	49,317
Debenture interest	**15,353**	-
Insurance	**8,599**	-
Office	**76,382**	74,347
Professional fees	**210,520**	284,875
Project identification costs (Note 2(k))	**123,807**	20,595
Rent	**219,180**	222,809
Travel	**229,480**	211,258
Stock compensation	**75,000**	-
Salaries and benefits	**370,163**	620,203
Shareholder expenses	**25,655**	20,523
	1,658,477	1,577,499
Loss from continuing operations	**(1,520,236)**	(1,411,894)
Income (loss) from discontinued operations (Note 10)	**19,986**	(2,356)
Net loss for the year	**(1,500,250)**	(1,414,250)
Deficit, beginning of year	**(5,130,356)**	(3,716,106)
Deficit, end of year	$ **(6,630,606)**	$ (5,130,356)
Loss per share - basic and diluted	$ **(0.038)**	$ (0.037)
Weighted average number of shares - basic	**39,029,459**	38,713,021

The accompanying notes are an integral part of these consolidated financial statements.

For the years ended December 31		2004		2003
Cash flows from operating activities				
Loss from continuing operations	**$**	**(1,520,236)**	$	(1,411,894)
Adjustments for:				
Amortization		**35,444**		33,183
Gain on sale of investments		**(61,065)**		-
Stock compensation		**75,000**		-
Cash flow (deficiency) from continuing operations		**(1,470,857)**		(1,378,711)
				-
Income (loss) from discontinued operations		**19,986**		(2,356)
Cash flow from discontinued operations		**19,986**		(2,356)
Cash flow from operations		**(1,450,871)**		(1,381,067)
Changes in non-cash working capital balances				
Accounts receivable		**30,232**		123,103
Prepaid expenses		**(82,314)**		-
Accounts payable and accrued liabilities		**63,771**		2,292
		(1,439,182)		(1,255,672)
Cash flows from investing activities				
Prepaid expenses		**14,130**		305
Acquisition of property and equipment		**(16,284)**		(18,790)
Proceeds on disposal of long-term investments		**102,015**		(727,500)
Long-term investments acquired		**(657,500)**		(399,999)
Short-term investment		**-**		600,000
		(557,639)		(545,984)
Cash flow from financing activities				
Proceeds from exercise of stock options		**-**		210,000
Issuance of debentures		**250,000**		-
		250,000		210,000
Decrease in cash and cash equivalents		**(1,746,821)**		(1,591,656)
Cash and cash equivalents, beginning of year		**3,192,794**		4,784,450
Cash and cash equivalents, end of year	**$**	**1,445,973**	$	3,192,794

The accompanying notes are an integral part of these consolidated financial statements.

Overlord Financial Inc. (the "Company") is a public company incorporated under the Business Corporations Act (Alberta) that was engaged in production, development and exploration of oil and natural gas in Canada. During 2001, the Company discontinued its oil and gas activities and implemented a new business plan. The Company's future business focuses on managing energy-related investment funds and assets.

The financial statements of the Company have been prepared by management in accordance with Canadian generally accepted accounting principles. The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The financial statements have, in management's opinion, been properly prepared using careful judgement with reasonable limits of materiality and within the framework of the significant accounting policies summarized below.

(a) **Consolidation**
The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries from the date of acquisition or incorporation.

(b) **Cash and cash equivalents**
Cash and cash equivalents consist of cash on hand, bank balances and investments in money market instruments with maturities of three months or less.

(c) **Long-term investments**
Long-term investments are carried at the lower of cost and market value. Investments are only written down if there is a permanent decline in market value. The assigned valuation of private companies held in the investment portfolio is determined by a recent third party transaction when available. If a recent transaction has not occurred, valuation is determined in accordance with guidelines established that are based upon generally accepted valuation parameters.

(d) **Property and equipment**
Property and equipment are recorded at cost. Amortization, based on the estimated useful life of the assets to their residual value, is as follows:

Office equipment, furniture and fixtures	- 20% declining balance
Computer	- 30% declining balance
Leasehold improvements	- straight line over the term of the lease
Artwork	- Nil

(e) **Revenue**
Advisory fee revenue is recognized upon the completion of agreement milestones. Investment income is recognized when, a dividend is declared or when an investment is sold or when interest income is earned.

(f) **Financial instruments**
The Company carries a number of financial instruments as detailed on the balance sheet. Unless otherwise disclosed, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

(g) **Loss per share**
Loss per share is calculated using the weighted average number of shares outstanding during the year. The treasury stock method is used to determine the effect of dilutive instruments, in accordance with new standards approved by the Canadian Institute of Chartered Accountants.

(h) **Future income taxes**
The Company uses the liability method of accounting for income taxes. Under this method, future income tax liabilities and future income tax assets are recorded based on temporary differences, the difference between the carrying amount of an asset and liability in the balance sheet and its tax basis, the carry forward of unused tax pools and unamortized share issue costs. Future income tax assets and liabilities are measured using income tax rates expected to apply on the years in which temporary differences are expected to be recovered or settled. The effect on future income tax assets and liabilities of a change in tax rates is included in income in the period that the change is substantially enacted. Future income tax assets are evaluated and if realization is not considered "more likely than not", a valuation allowance is provided.

(i) **Stock-based compensation plan**

Effective January 1, 2002, the Company adopted the recommendations of the CICA Handbook Section 3870, Stock-based compensation and stock-based payments. This section requires that direct awards of stock and liabilities based on the price of the common stock be measured at fair value at each reporting date, with the change in fair value reported in the statements of operations and deficit, and encourages, but does not require, the use of the fair value method for all other types of stock-based compensation plans. In accordance with the recommendations, the Company used the intrinsic method to recognize stock based compensation to employees. None of the Company's plans qualify as direct awards of stock or as plans that create liabilities based on the price of the Company's stock.

In 2003, the Company adopted the new recommendation of the CICA Handbook to record the fair value of all compensation expenses when stock or stock options are issued after January 1, 2003 under the plan.

(j) **Measurement uncertainty**

The amounts recorded for stock-based compensation and fair value for long-term investments are based on estimates. The Black Scholes model is based on estimates of assumptions for expected volatility and risk-free interest rates. The fair value of long-term investments is based on assumptions for possible effects of price fluctuations. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

(k) **Project identification costs**

The Company incurred expenses related to the set up and financing of certain projects expected to close in 2005. While it is management's intention to pursue these projects, there are no firm commitments at December 31, 2004, and therefore these costs have been expensed. Any recoveries of these costs will be recorded in the period realized.

	2004	2003
1,196,833 Common shares of Sonomax Hearing Healthcare Inc. (less than 5% of voting shares) (quoted market value $418,892) [1]	$ 359,049	$ 399,999
1,151,190 Common shares of ExAlta Energy Inc. (less than 5% of voting shares) [2]	1,227,500	1,227,500
250,000 Common shares of Contact Exploration Ltd. (less than 5% of voting shares) (quoted market value $100,000) [1]	100,000	-
25,000 Wisevest Income Fund units (quoted market value $270,268)	250,000	-
Sonomax convertible promissory note, unsecured, 10%, due April 1, 2009, conversion prices varies from $0.85 to $1.50 based on timing of conversion	150,000	-
Parson's Pond Investment, farmout agreement to participate in test drilling of oil and gas well with a 10% working interest in lands and title documents (16.67% of the first $900,000 of expenditures, 10% on costs thereafter)	157,500	-
	$ 2,244,049	$ 1,627,499

(1) Quoted trading prices are based on the last traded price of the security or closest to December 31, 2004. The fair value of these securities may differ from the quoted trading price due to the effect of market fluctuations and adjustment for quantities traded.

(2) Market value not disclosed as there is no quoted price for the company's shares.

	2004			2003		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Computer	**$ 65,297**	**$ 35,096**	**$ 30,201**	$ 52,894	$ 22,820	$ 30,074
Leasehold	**87,760**	**52,986**	**34,774**	87,295	36,832	50,463
Furniture & Fixtures	**37,699**	**26,892**	**10,807**	37,699	23,289	14,410
Office Equipment	**42,736**	**29,003**	**13,733**	39,320	25,592	13,728
Artwork	**15,277**	**-**	**15,277**	15,277	-	15,277
Net book value	**$ 248,769**	**$ 143,977**	**$ 104,792**	$ 232,485	$ 108,533	$ 123,952

The Company has a direct revolving reducing loan facility of up to $150,000 (2003 - $150,000). The loan bears interest at prime plus one quarter percent per annum, and is secured by hypothecation of a $2,000,000 demand debenture, creating a first floating charge over all the assets and undertaking of the Company. At December 31, 2004, the Company had drawn $Nil on the loan facility.

The income tax provision on the statements of operations and deficit differs from the expected income tax provision as follows:

	2004	2003
Expected recovery at an effective rate of 39%	$ **(571,132)**	$ (551,550)
Add (deduct) effects of:		
Stock compensation	**15,285**	-
Gain on sale of investments	**11,908**	-
Expired losses	**11,661**	-
Change in valuation allowance	**495,187**	546,400
Other permanent differences	**37,091**	5,150
	$ -	$ -

At December 31, 2004, the Company had approximately $4,217,000 (2003 - $2,716,555) of non-capital loss carry over balances, which commence expiring in 2005. In addition, the Company has capital cost pools, resource pools and deferred financing cost pools of $139,400 (2003 - $171,600) in excess of carrying values to deduct against future taxable income. No future tax asset has been recorded for these available losses and tax pools as their ultimate utilization is not considered more likely than not.

In May 2004, the Company's wholly-owned subsidiary, Juno Canada Holdings Ltd., issued debentures for $250,000 cash. Of this amount, the $100,000 debenture is unsecured and bears interest at 13.5% per annum, which is payable quarterly commencing September 30, 2004. The remaining $150,000 debenture is collateralized by Juno's investments in the Wisevest Income Fund units (Note 3) and bears interest 7% per annum, which is payable quarterly commencing September 30, 2004. Both debentures mature May 11, 2012.

(a) **Authorized**

Unlimited number of Common voting shares

(b) **Issued**

Common shares	2004		2003	
	Number of Shares	Amount	Number of Shares	Amount
Balance, beginning of year	**39,029,459**	**$ 9,963,248**	37,979,459	$ 9,753,248
Stock options exercised	-	-	1,050,000	210,000
Balance, end of year	**39,029,459**	**$ 9,963,248**	39,029,459	$ 9,963,248

(c) **Options**

The Company has a stock option plan for employees, directors, officers and consultants. Stock options can be issued up to a maximum number of common shares equal to 10% of the issued and outstanding common shares of the Company. The exercise price and vesting period of options granted is not less than the market price of the common shares traded and is determined by the Board of Directors. Options granted can have a term of up to 5 years.

The Company has granted stock options to employees, directors, officers and consultants of the Company as follows:

	Number of Shares	Option Prices per Share $	Weighted Average Exercise Price $	Weighted Average Remaining Term	Number of Options Currently Exercisable	Weighted Average Exercise Price of Options Currently Exercisable $
Options outstanding, Dec. 31, 2002	1,050,000	$0.20	$0.20	-	-	-
Options exercised	(1,050,000)	$0.20	$0.20			
Options outstanding, Dec. 31, 2003	-	$ -	$ -	-	-	-
Options granted, September 2004	3,600,000	$0.28	$0.28	4.7 years	-	-
Options outstanding, Dec. 31, 2004	**3,600,000**	**$0.28**	**$0.28**	**4.7 years**	-	-

Options granted on September 13, 2004, vest one third on September 13, 2005, one third on September 13, 2006 and one third on September 13, 2007. The Company recorded stock compensation expense of $75,000 for the year ended December 31, 2004 using the Black-Scholes model assuming a risk free rate of 3.5%, volatility of 70%, dividend yield Nil and a term of 5 years. Total fair value of the options issued was $393,749.

	2004	2003
Balance, beginning of year	$ 183,396	$ 183,396
Stock compensation	75,000	-
Balance, end of year	$ 258,396	$ 183,396

The oil and gas related activities were discontinued effective October 9, 2001. The net income (loss) from discontinued operations consists of:

	2004	2003
Oil and gas sales, net of royalties	$ 19,986	$ 2,039
Operating costs	-	(4,395)
	$ 19,986	$ (2,356)

All the net assets of the discontinued operations held for disposal were written off in 2002.

Except as disclosed elsewhere in the financial statements, the Company had the following related party transactions:

(a) During 2004, the Company incurred legal expenses and disbursements of $214,765 (2003 - $264,650) to a law firm in which a former director of the Company was a partner. Of this amount, $182,820 is included in professional fees and $31,945 is included in project identification costs.

(b) During 2004, the Company paid consulting fees and travel expenses for Basek Consulting Ltd. of $86,435 (payable of $38,215) and Basek Holdings Inc. of $2,091 (payable of $2,091). The companies are owned directly, or indirectly, by the President of Juno Canada Holdings Ltd., a wholly-owned subsidiary of Overlord Financial Inc.

(c) During 2004, included in project identification costs, the Company incurred legal, audit and filing costs in the amount of $123,807 related to the filing of the preliminary prospectus for Catapult Limited Partnership I whereby a wholly-owned subsidiary of the Company is the general partner (Note 15 (b)).

All related party transactions are in the normal course of operations and have been measured at the agreed to exchange amounts, which is the amount of consideration established and agreed to by the related parties and which is similar to those negotiated with third parties.

As disclosed in Note 2(f), the Company holds various forms of financial instruments. The nature of these instruments and the Company's operations expose the Company to credit risk and interest rate risk. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

Credit risk

At December 31, 2004, the Company held all of its cash at a Canadian chartered bank, and as such was exposed to all of the risks of that institution. Management manages this risk by banking with a recognized financial institution. In addition, the Company's long-term investments were held in two companies, as such, the Company is exposed to concentrations of risk from these companies.

Interest rate risk

The Company's fixed rate debt is subject to interest rate price risk, as the value will fluctuate as a result of changes in market rates. The floating rate debt is subject to interest rate cash flow risk, as the required cash flows to service the debt will fluctuate as a result of changes in market rates.

At December 31, 2004, the increase or decrease in net losses for each 1% change in interest rates on floating rate debt amounts to approximately $2,500 (2003 - $Nil) per annum.

The related disclosure regarding these debt instruments is found in Note 5 and 7 to these financial statements.

In 2004, the cash interest paid was $9,353 (2003 - $Nil).

(a) The Company is committed to leased office premises with future base rent payments as follows:

2005	$125,825
2006	155,540
2007	164,428
2008	168,872
2009	173,316
2010	88,880
	$ 876,861

The Company is also required to pay their proportionate share of operating and property tax costs for the premises.

(b) The Company has agreed to indemnify certain individuals, who have acted at the Company's request to be an officer or director of the Company, to the extent permitted by law, against any and all damages, liabilities, costs, charges or expenses suffered by or incurred by the individual as a result of their service. The nature of the indemnification agreements prevents the Company from making a reasonable estimate of the maximum potential amount it could be required to pay to the beneficiary of such indemnification agreement. The Company has purchased various insurance policies to reduce the risks associated with such indemnification.

(c) The Company is committed to payments of approximately $38,500 per month under existing consulting agreements. The remaining commitment at December 31, 2004 approximates $265,500.

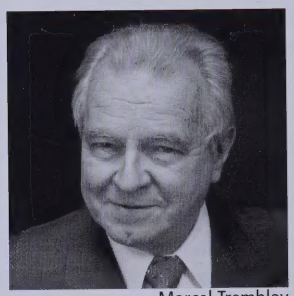
15. Subsequent Events

(a) Subsequent to year end, the Company completed a non-brokered private placement financing for gross proceeds of $2,000,000 via the issuance of 5,000,000 units at a price of $0.40 per unit. The units were subscribed for by a company owned and controlled by an officer of one of the Company's subsidiaries. Each unit is comprised of one common share of the Company and one-fifth of one common share purchase warrant. Each warrant entitles the holder to acquire one common share of the Company at a price of $0.60 on or before March 28, 2006.

(b) Subsequent to year end, Catapult Energy 2004 Inc., a wholly-owned subsidiary of the Company, filed a preliminary prospectus pursuant to an initial public offering by the Catapult Energy Limited Partnership I, through agents, of a minimum of 1,500,000 Units and a maximum of 2,500,000 Units at $10 per Unit ("the Offering"). The agents' fees will be 6.75% of the gross proceeds. The agents will also be paid a due diligence and administration fee of $15,000 and all reasonable expenses incurred in connection with the Offering. There will also be an over-allotment option of up to 20% of the aggregate number of Units sold under the Offering, exercisable for 60 days after the closing of the Offering.

(c) Subsequent to year end, Sword Energy Ltd. ("SEL"), a private corporation, was incorporated as an oil and gas exploration company managed by Sword Management Inc., a wholly-owned subsidiary of the Company. The Company acquired 250,000 shares of SEL at $1.00 per share for cash consideration of $250,000. Further, a director of the Company acquired 1,000,000 shares of SEL at $1.00 per share for cash consideration of $1,000,000. On March 30, 2005, SEL acquired an oil and gas property for $1,400,000 cash.

BOARD OF DIRECTORS



Marcel Tremblay
Calgary, Alberta



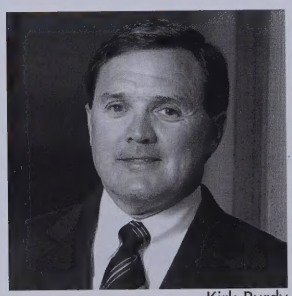
Marc-Andre Elie[2] [3]
Montreal, Quebec



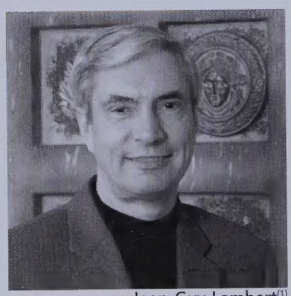
Jean Desmarais[1]
Montreal, Quebec



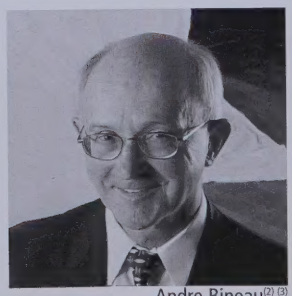
Michael Fabi[1]
Calgary, Alberta



Kirk Purdy
Calgary, Alberta



Jean-Guy Lambert[1]
Montreal, Quebec



Andre Bineau[2] [3]
Montreal, Quebec

[1] Corporate Governance Committee
[2] Audit Committee
[3] Compensation Committee

CORPORATE INFORMATION

Directors

Marcel Tremblay
Chairman, President & Chief Executive Officer
Overlord Financial Inc.
Calgary, Alberta

Marc-Andre Elie
President, ARX Capital Inc.
Montreal, Quebec

Andre Bineau
Vice President, Association de bienfaisance et de retraite des policiers et policières de la Ville de Montréal
Montreal, Quebec

Jean-Guy Lambert
Chairman, President & Chief Executive Officer
Dacha Capital Inc.
Montreal, Quebec

Jean Desmarais
Vice President, Branch Manager & Investment Advisor
Désjardins Securities
Montreal, Quebec

Michael Fabi
Vice President, Grey Wolf Exploration Inc.
Calgary, Alberta

Kirk Purdy
President, Juno Canada Holdings Ltd.
Calgary, Alberta

Officers of the Corporation

Marcel Tremblay
Chairman, President and Chief Executive Officer

Larry Titley
Vice President and Chief Financial Officer

Theresa Devost
Corporate Secretary

Legal Counsel

Heenan Blaikie LLP

Bankers

TD Bank of Canada
Royal Bank
National Bank
Canadian Imperial Bank of Commerce

Auditors

BDO Dunwoody LLP

Registrar and Transfer Agent

Inquiries regarding change of address, registered shareholdings, stock transfers or lost certificates should be directed to:

Computershare Trust Company of Canada
Proxy Department
100 University Avenue, 9th Floor
Toronto, Ontario
M5J 2Y1

Stock Exchange Listing

TSX Venture Exchange
Trading Symbol: OFI

Corporate Office

3400 Bow Valley Square II
205 - 5th Avenue S.W.
Calgary, Alberta
T2P 2V7
Telephone: 403-770-4800
Fax: 403-770-4850
Toll free: 1-866-870-4800
Website: www.overlordfinancial.com
Information: info@overlordfinancial.com
SEDAR: www.sedar.com to Overlord

2005 Annual General & Special Meeting

Friday, June 17, 2005 @ 10:30AM
Hochelaga Room, Convention Floor
The Fairmont Queen Elizabeth Hotel
900 Rene-Levesque Blvd West
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